



BUSINESS PLAN SEPTEMBER 2016 FY 2017 - 2019

STATE OF MARYLAND

LAWRENCE J. HOGAN, JR.
GOVERNOR

BOYD K. RUTHERFORD
LT. GOVERNOR

STEPHEN T. MOYER
SECRETARY

J. MICHAEL ZEIGLER
DEPUTY SECRETARY
OPERATIONS

DAYENA M. CORCORAN
COMMISSIONER OF CORRECTION

STEPHEN M. SHILOH, CCE
CHIEF EXECUTIVE OFFICER



Department of Public Safety and Correctional Services

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Maryland Correctional Enterprises

7275 WATERLOO ROAD • JESSUP, MARYLAND 20794 • www.mce.md.gov
(410) 540-5400 • FAX (410) 540-5570 • TTY USERS (800) 735-2258

MANAGING FOR RESULTS

MARYLAND CORRECTIONAL ENTERPRISES

STRATEGIC

BUSINESS PLAN

FISCAL YEARS

2017-2019

Stephen M. Shiloh, CCE
Chief Executive Officer

SEPTEMBER 2016

Stephen T. Moyer
Secretary
Department of Public Safety and Correctional Services

J. Michael Zeigler
Deputy Secretary - Operations
Department of Public Safety and Correctional Services

Dayena M. Corcoran
Commissioner of Correction
Division of Correction



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September 2016

Dear MCE Employees and Stakeholders:

On behalf of Maryland Correctional Enterprises (MCE), it is indeed a pleasure to present a copy of the Strategic Business Plan Fiscal Years 2017-2019 for your review. The Plan was developed by MCE employees, facilitated by the DPSCS Police and Correctional Training Commissions, and is based on the goals of: maintaining a self-supporting status, increasing inmate employment, increasing customer satisfaction, improving organizational excellence, and providing support and services for successful inmate transition to the community.

The development of a MCE Business Plan began in the spring of 1996. "Managing For Results" (MFR) came into being in the early spring of 1998. A four day course was given at the University of Baltimore in December 1998. During the summer of 1999, the University of Maryland Technology Extension Service provided training in Managing For Results for the MCE Staff. The first Strategic Business Plan was published and distributed at the annual Luncheon on September 22, 2000.

In May 2001, the first MFR Seminar was held at the Maritime Institute of Technology to review the Business Plan and to prepare for the next edition. MCE has held to this schedule ever since. The latest version of the MCE Business Plan is distributed annually in September. During the Fiscal Year, progress toward achieving the Strategies is reflected in Quarterly MFR Reports which are distributed to the Administrative Staff, Plant Managers, and Unit Supervisors.

Stability has been established in working towards attainment of the long range Goals and Objectives by the accomplishment of the shorter term Strategies. However, success of the plan can only be achieved through cooperation and teamwork. Any questions or comments may be directed to myself, Cliff Benser (410-540-5404) or Tom McBurney (410-540-5439).

Best Regards,

Steve Shiloh
Chief Executive Officer

Maryland Correctional Enterprises

Strategic Business Plan FY 2017 - 2019

MISSION STATEMENT

The mission of **Maryland Correctional Enterprises (MCE)** is to provide structured employment and training activities for offenders in order to improve employability upon release, to enhance safety and security, to reduce prison idleness, to produce quality, saleable goods and services, and to be a financially self-supporting State agency.

VISION STATEMENT

Maryland Correctional Enterprises endeavors to employ all eligible offenders to reduce recidivism and to be a financially successful organization. We strive to ensure continued professional development and training for our civilian and inmate staff. We will be an integrated, well-managed, technologically progressive and eco-friendly organization that will provide our customers with the highest quality goods and services.

VALUES STATEMENT

The following beliefs (core principles) support our mission and vision statements:

Quality and Customers - We are committed to provide our customers with the highest quality products and services in a timely manner within all areas of Maryland Correctional Enterprises.

Environmentally Friendly – We are committed to improving our environmental awareness in all areas of Maryland Correctional Enterprises.

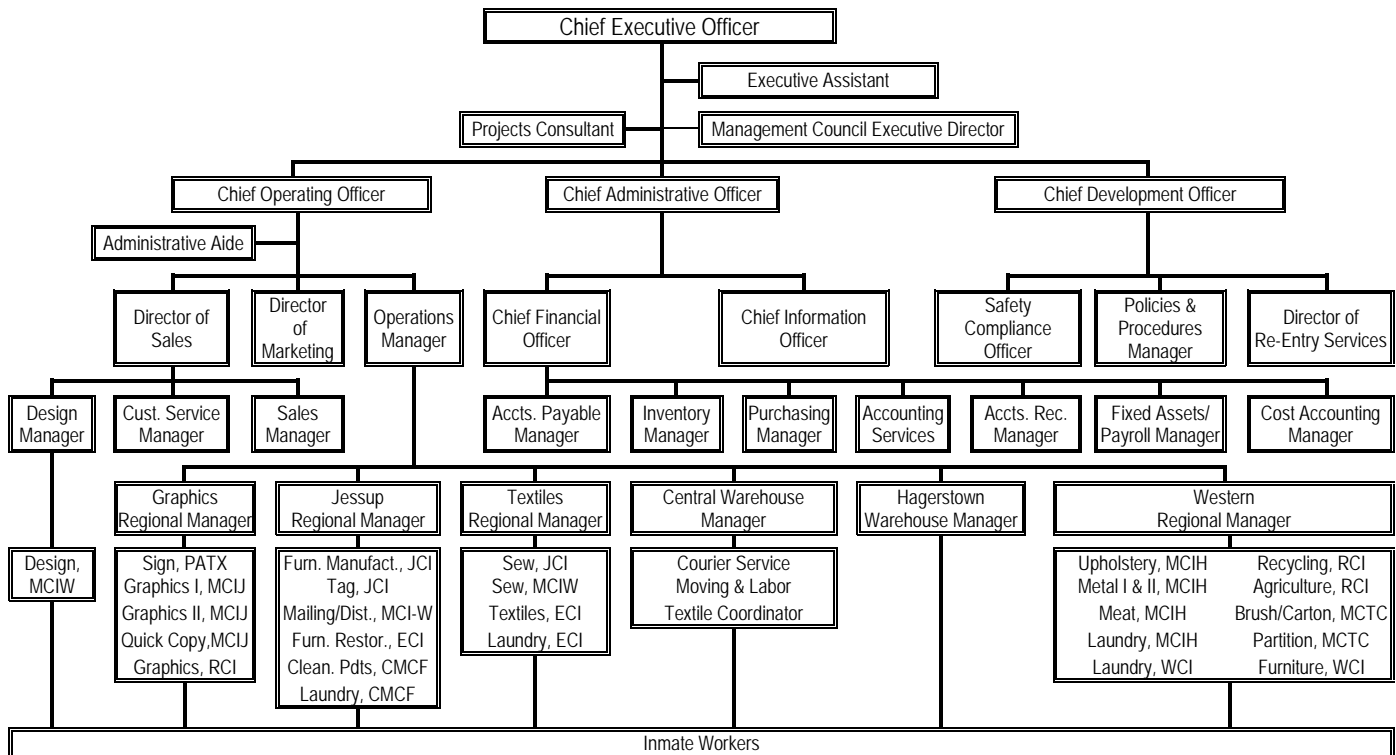
Financially Successful - We will manage our financial resources (assets, profits, sales, cash, investments) to support existing operations and future expansion.

Transition Services - We are committed to quality training and preparation of our inmate work force to enhance their employment opportunities upon release.

Teamwork and Communications - We value each employee as an important asset in helping to achieve the mission of the agency through teamwork and effective communications.

Professionalism - We value effective leadership and strive for impartiality and fairness in the workplace. We encourage personal and professional development. We recognize and reward dedication and commitment to excellence.

MCE STRATEGIC BUSINESS PLAN FISCAL YEARS 2017-2019



MANAGEMENT

Maryland Correctional Enterprises
 7275 Waterloo Road
 Jessup, Maryland 20794
 (410) 540-5400

Title

Chief Executive Officer
 Executive Assistant to the CEO
 Chief Operating Officer
 Chief Administrative Officer
 Chief Development Officer
 Director of Marketing
 Exec. Director of Mgmt. Council
 Director of Sales
 Sales Manager
 Chief Financial Officer
 Operations Manager
 Projects Consultant
 Customer Service Manager
 Design Manager
 Chief Information Officer
 Re-Entry Services Director

Name

Steve Shiloh
 Ashley Lohr
 Joe Sommerville
 Mark Rowley
 Vacant
 Lida Poole
 David Jenkins
 Todd Deak
 Jim Hook
 Verona Williams
 Stephen Sanders
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 (410) 540-5479
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REGIONAL MANAGERS

Region

Western
 Jessup/ECI Furniture Restoration
 Textiles/ECI Liaison
 Graphics
 Central Warehouse Manager
 Hagerstown Warehouse Manager

Name

Greg Haupt
 Dan Bickford
 Donna Beck
 Mike Giuffre
 Mathew Hall
 Ron Brown

Phone

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 (410) 651-9102
 (410) 540-6727
 (410) 540-5476
 (240) 420-1232

Maryland Correctional Enterprises/Q00A 03.01
Fiscal Years 2017 – 2019
Goals, Objectives, Strategies

Goal #: 1.1	To maintain self-supporting status to support existing operations and future expansion.		
Objective #: 1.1.1	To achieve a 3% net operating income level every fiscal year through June 2019.		
Strategy #: 1.1.1.1	Analyze revenues and expenditures, including agency wide control of costs, on a monthly basis and take corrective action when necessary to ensure the objective.		
Performance Measures		Net operating income level achieved in each fiscal year.	
Chairperson		Chief Executive Officer	
Members		Chief Operating Officer, Chief Administrative Officer, Chief Financial Officer, Regional Managers, Senior Accountant, Operations Manager, Inventory Manager, Invited Guest Member	

Summary of Strategy Results

	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
Net Operating Income	0.9%	2.7%	4.2%	(1.2%)	2.2%	2.3%	5.3%
Adjusted Net Operating Income (after transfers)	(2.4%)	2.0%	2.6%	(2.2%)	(1.3%)	0.0%	5.3%

Adjustments:

FY2010	(\$1,141,760) Settlement to U.S. Dept. of Health and Human Services [analysis conducted by the Federal OMB citing OMB Circular A-87 showed that revenue collected by MCE from Maryland's Agencies contained federal funds], (\$500,000) transfer to State's General Fund.
FY2011	(\$376,650) transfer to State's General Fund for the Budget Reduction and Financing Act of 2010.
FY2012	(\$325,000) transfer to State's General Fund for the Budget Reduction and Financing Act of 2011.
FY2013	(\$500,000) transfer to State's General Fund in FY2013.
FY2014	(\$1,800,000) transfer to State's General Fund in FY2014.
FY2015	(\$1,000,000) transfer to State's General Fund in FY2015.

1st Quarter 2nd Quarter 3rd Quarter 4th Quarter

Fiscal Year 2017

The Chief Executive Officer conducts Gross Profit meetings with the Committee Members each month except for July, August, and September when financial data is not available due to the annual financial audit of MCE.

Strategy #: 1.1.1.2	Evaluate the purchasing practices of our customers to determine trends and analyze data.
Performance Measures	Annual review of customer data to be compared to FY 2016 baseline data.
Chairperson	Director of Sales
Members	Director of Marketing, Cost Accountant, Chief Information Officer, Sales Manager, Rotating Plant Manager

1. Monitoring FY15 K-12 sales (monthly) comparing FY 14/15/16.

4th Quarter FY2015

<u>County K-12 Sales</u>	<u>FY 14</u>	<u>FY 15</u>	<u>FY 16</u>	<u>% Comp.</u>
Allegany County	\$0.00	\$0.00	\$0.00	0%
Anne Arundel County	\$6,328.36	\$37,413.29	\$68,439.00	83%
Baltimore City	\$1,268.40	\$2,458.10	\$1,892.75	-23%
Baltimore County	\$56.68	\$4,897.00	\$14,835.19	203%
Calvert County	\$0.00	\$0.00	\$0.00	0%
Carroll County	\$4,207.17	\$14,530.05	\$3,730.46	-74%
Caroline County	\$0.00	\$1,770.00	\$0.00	-100%
Cecil County	\$0.00	\$0.00	\$0.00	0%
Charles County	\$0.00	\$288.00	\$0.00	-100%
Dorchester County	\$103.95	\$27,030.85	\$19,263.06	-29%
Frederick County	\$0.00	\$0.00	\$1,032.00	100%
Garrett County	\$0.00	\$0.00	\$0.00	0%
Harford County	\$4,184.00	\$19,315.00	\$2,234.00	-88%
Howard County	\$54,766.44	\$72,861.00	\$108,720.00	49%
Kent County	\$0.00	\$0.00	\$0.00	0%
Montgomery County	\$84,068.00	\$31,058.00	\$6,006.39	-81%
Prince Georges County	\$0.00	\$0.00	\$0.00	0%
Queen Anne's County	\$0.00	\$0.00	\$0.00	0%
Somerset County	\$0.00	\$0.00	\$0.00	0%
St. Mary's County	\$0.00	\$0.00	\$0.00	0%
Talbot County	\$0.00	\$0.00	\$0.00	0%
Washington County	\$9,374.00	\$5,399.15	\$2,752.96	-49%
Wicomico County	\$0.00	\$0.00	\$0.00	0%
Worchester County	\$1,550.00	\$600.00	\$1,200.00	100%
Sub Total:	\$165,907.00	\$217,620.44	\$230,105.81	6%
MD State Dept. of Education HQS	\$250,646.90	\$174,815.97	\$620,456.25	255%
MSDE-Library for the Blind & Physically Handicapped	\$1,215.00	\$1,074.00	\$1,914.50	78%
MSDE-Division of Rehab Services (Timonium)	\$3,297.50	\$2,797.20	\$2,896.60	4%
MSDE-Division of Rehab Services (Baltimore)	\$206,225.43	\$300,231.25	\$356,197.50	19%
MD School for the Deaf (Frederick)	\$58,607.19	\$37,479.17	\$44,792.36	20%
MD School for the Deaf (Columbia)	\$9,135.36	\$9,003.33	\$9,814.33	9%
Grand Total:	\$695,034.38	\$743,021.36	\$1,266,177.35	70%

Note: % comparison is based on FY 15/16 numbers

2. Continually analyzing FY14/15/16 numbers
3. Evaluating Waiver Requests
4. Monitoring Weekly Website Sales
5. Monitoring Weekly Open Order Reports for:
 - Univ. of MD – University College
 - Univ. of MD – College Park
 - Towson University
 - MD Transportation Authority
 - Univ. of MD – Eastern Shore
 - MD State Dept. of Education
 - MD Aviation Administration
 - Salisbury University
 - Dept. of Business & Economic Development
 - Account reps have continually reviewed/analyzed.
6. Monitoring Monthly Graphics Sales
7. Monitoring Monthly Quick Ship Sales

Strategy #: 1.1.1.3	Identify, share and implement quality improvements and cost reduction/avoidance programs each year.
Performance Measures	Implement, share and document cost reduction/avoidance and measure quality assurance programs per fiscal year.
Chairperson	Operations Manager
Members	Chief Financial Officer, Chief Information Officer, Chief Operating Officer, Regional Managers, Chief Development Officer, Marketing

Summary of Strategy Results

1. The Marketing Department and Graphics Shops # 140 and # 145 worked together to master the color reproduction of MCE's Seating Fabric Cards. By producing these fabric cards in-house instead of buying them from a vendor, a total of \$6,387.50 for 200 copies was realized.

Strategy #: 1.1.1.4	Update standard costs and selling prices on an annual basis.
Performance Measures	Annually review and audit business unit standard costs and selling prices for profitability.
Chairperson	Chief Financial Officer
Members	Cost Accountant, Director of Sales, Chief Operating Officer, Director of Marketing, Senior Accountant, Purchasing Manager.

Summary of Strategy Results

1. During the Fourth Quarter of FY16, the Finance Department completed the standard costs and price analyses as follows:

A. <u>Metal I Shop</u>	Item # 124160	Under-bed Chests
	Item # 124165	Inmate Security Lockers

These analyses resulted in actual production costs being higher than the standard costs and were adjusted accordingly. The analyses have been forwarded to the marketing department for further studies. In addition to the above, all selling prices for items in the FY17 catalog were successfully updated.

Objective #: 1.2.1	Continue to achieve annual sales of at least \$50,000,000.
Strategy #: 1.2.1.1	Semi-annually review and update the Sales and Marketing Plan.
Performance Measures	Sales achieved in each fiscal year.
Chairpersons	Director of Sales and Director of Marketing
Members	Chief Executive Officer, Chief Operating Officer, Sales Manager, Operations Manager

Summary of Strategy Results

Sales

<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
\$50,432,574	\$50,549,517	\$53,026,538	\$50,819,576	\$51,799,493	\$54,049,268	\$61,442,491
(4.7%)	0.23%	4.9%	(4.2%)	1.9%	4.3%	13.7%

Cumulative Totals 1st Quarter 2nd Quarter 3rd Quarter 4th Quarter Fiscal Year 2017

		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD
SALES (#s taken from preliminary reports)	FY16	\$17.5 million	\$15.7 million	\$12.0 million	\$16.2 million	\$61.4 million
	FY17					
INCOMING SALES	FY16	\$16.1 million	\$10.2 million	\$13.6 million	\$10.3 million	\$50.2 million
	FY17					
WEBSITE SALES	FY16	\$102 thousand	\$112 thousand	\$109 thousand	\$186 thousand	\$509 thousand
	FY17					

Meetings with account reps will be scheduled to set goals for upcoming years.

1. New brochures / e-mail advertisements.
2. Actively pursuing state/county/city bids.
3. Evaluating Customer Master File to analyze who has not purchased within the last 3 years.
4. Pursuing convention leads.
5. FY17 New Offerings / Catalog additions.
6. FY17 Sales and Marketing Plan.
7. Additions to Quick Ship.
8. Developed and implemented laundry service for Wor-Wic Community College, to start in October 2016.
9. Maintaining/monitoring clearance sales via MCE website.

Objective #: 1.3.1	Improve MCE's visibility among our customer base and other stakeholders.
Strategy #: 1.3.1.1	Identify and educate customers and stakeholders.
Performance Measures	At least (12) presentations annually to new customers/stakeholders.
Chairpersons	Director of Sales and Director of Marketing
Members	Operations Manager, Regional Managers, Sales Manager, Executive Assistant to CEO

Summary of Strategy Results

1. FY2016 Conventions:

• MD Association of Counties (MACo)	August 12-15, 2015	Ocean City, MD
• Maryland Association of Boards of Education (MABE)	September 30 - October 1, 2015	Ocean City, MD
• DNR-MD Park Field Service Day	September 30, 2015	Patapsco State Park, MD
• Association of School Business Officials (ASBO)	November 6, 2015	Maritime Institute, MD
• Annapolis Showcase	January 28, 2016	Annapolis, MD
• Howard Co. Community College Job Fair	March 11, 2016	Columbia, MD
• MD Association of Elementary School Principals (MAESP)	April 14-16, 2016	Ocean City, MD
• MD Library Association (MLA)	May 4-6, 2016	Ocean City, MD
• Association of School Business Officials (ASBO)	May 22-25, 2016	Ocean City, MD
• MD Correctional Administrators Association (MCAA)	June 5-7, 2016	Ocean City, MD
• MD Firemen's Association (MFA)	June 18-24, 2016	Ocean City, MD
• MD Municipal League (MML)	June 26-29, 2016	Ocean City, MD

2. Facility Tours conducted in FY2016:

- September 2nd: NCIA Headquarters staff toured MCI-H Plants.
- September 9th: Voice of America toured MCI-H Meat Plant.
- September 22nd: Governor's Office for Children toured MCI-W Plants.
- September 28th: Towson Regional Economic Study Institute toured JCI Plants.
- November 10th: MVA toured Shops at JCI and MCI-W.
- January 7th: USM Student Council toured MCI-W and JCI Plants.
- January 12th: Representatives from Slobproof (lounge furniture manufacturer) toured MCI-H Upholstery Plant.
- January 15th: A.A. County Circuit Court Judges toured MCI-W Plants.
- February 2nd: Delaware wardens toured MCI-W Plants.
- February 9th: The U.S. State Department toured MCI-W Plants.
- February 18th: MTA toured Patuxent MCE Sign Plant.
- March 2nd: SHA Textile personnel toured the JCI/MCI-W Textile Plants.
- April 15th: University of MD Hubert Humphrey Fellowship toured plants at JCI.
- May 4th: MVA toured the MCE plants in Patuxent.
- May 11th: Greater Baltimore Committee Coalition for a Second Chance toured the MCE plants in Patuxent.

Goal #: 2.1	To maximize inmate employment.	
Objective #: 2.1.1	Continue to employ at least 2,000 inmates	
Strategy #: 2.1.1.1	Investigate inmate employment opportunities through expansion of existing facilities, the creation of new business units, and the identification of additional inmate job functions.	
Performance Measures	Inmate employment achieved in each fiscal year.	
Chairperson	Chief Executive Officer	
Members	Chief Operating Officer, Chief Development Officer, Operations Manager	

Summary of Strategy Results

Inmate Employment

<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
2,047	1,855 ¹	2,065	2,038	2,091 ²	2,041	2,035
		<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	
Fiscal Year 2017						

NOTES: ¹ During FY2011, elimination of PINS via budget cuts and MCE's forced participation in the VSP negatively affected inmate employment.

² MCE was forced to close its Upholstery Plant at NBCI in October 2013 due to the continuing Lock-down situation at that Institution. This action has resulted in the loss of 25 inmate positions.

MCE EXPANSION AND INMATE EMPLOYMENT

Plant Number	Business Unit	FY2016		
104	MCI-W SEW	133		
106	ECI FURN. REST.	131		
109	ECI TEXTILES	120		
111	PATX SIGN	57		
112	MCTC PARTITION	31		
113	MAILING/DISTRIBUTION	89		
115	JCI FURNITURE MANUFACTURING	206		
117	CMCF CLEANING PRODUCTS	6		
119	JCI TAG	72		
122	UPHOLSTERY	81		
123	BRUSH & CARTON	20		
124	METAL (1 & II)	77		
125	MEAT	74		
132	QUICK COPY	39		
133	LAUNDRY	269		
140	GRAPHICS I	120		
142	JCI SEW	134		
144	RECYCLING (H & J)	80		
145	GRAPHICS II	51		
146	WCI FURNITURE	34		
148	DESIGN/PLANNING	15		
149	RCI GRAPHICS	133		
150	CENTRAL WAREHOUSE.	29		
152	HAGERSTOWN WAREHOUSE	34		
	BROCK BRIDGE WAREHOUSE		FY 2017	+10
	JCI GRAPHICS/TEXTILE		FY 2020	+210
	ECI FURNITURE RESTORATION		FY 2020	+25
	ECI DISTRIBUTION CENTER		FY 2021	+15
	TOTAL INMATES	2,035		
	TOTAL STAFF	148		
	RATIO	13.8		

Renovation Project:

Pre-Proposal conference and MBE Networking Session:	10:00am, January 21, 2016 MCE Office, 7275 Waterloo Road, Jessup, Anne Arundel County Maryland 20794
First Tour of Warehouse Renovation Site:	Following the Pre-Proposal Meeting Located at 8037 Brockbridge Road Jessup, Maryland 20794
Second Tour of Warehouse Renovation Site:	10:00am, February 3, 2016
Questions/Clarifications:	4:00 pm, January 29, 2016 (only by email to issuing Office) ATTN: Katherine Z. Dixon E-mail: dccfm@dpscs.state.md.us
Proposal Due date and Time:	2:00pm, February 12, 2016 (No Public Bid Opening)

- Four proposals were received on February 12th. The Division of Capital Construction (DCC) had to review and approve the Technical Proposals prior to opening the Price Proposals.
- On March 2, 2016, Callas Contractors, Inc. was selected by the DCC and approved by Steve.
- On March 23rd, Callas was approved by the State Board of Public Works.
- The Warehouse Design Initiation Conference was held on May 3rd at MCE at 10:00 A.M.
- The 50% Construction Documents Design Review meeting was conducted at the Division of Capital Construction on July 5th.

Expansion Projects:

1. New MCE Graphics/Textile Plant at JCI in FY2020 (210 inmate positions at JCI). JCI Sew and Envelope Plant at MCI-J transferred in total to new JCI Graphics Plant. 20 inmate positions added at Graphics II. Revised program was submitted to the Division of Capital Construction on October 24, 2013. Design Funding in FY2018. Occupancy date is projected to be March 2020.
2. MCE Furniture Restoration Plant expansion at ECI in FY2020 (25 inmate positions). Design Funding in FY2018.
3. New Distribution Center at ECI in FY2021 (15 inmate positions). Design Funding in FY2020.

Inmate Waiting Lists FY2017

[illegible]

Strategy #: 2.1.1.2	Obtain necessary supervisory and support staff positions to include obtaining legislation to allow MCE to have hiring autonomy.
Performance Measures	Increase number of civilian staff in order to ensure a safe, secure, and efficient workplace.
Chairperson	Chief Executive Officer
Members	Chief Operating Officer, Operations Manager, Chief Development Officer, Executive Assistant to CEO.

Summary of Strategy Results

1. In FY 2016, six years of data from the National Correctional Industries Association revealed an average Civilian Staff/Inmate Employee Ratio of 1:9.5. Seven years of MCE data revealed an average Civilian Staff/Inmate Employee Ratio of 1:11.9 and an average Supervisor/Inmate ratio of 1:18.6.

MCE						NCIA		
Fiscal Year	Civilian Staff	Plant Supervisors	Inmates Employed	Civilian/Inmate Ratio	Supervisor/Inmate Ratio	Civilian Staff	Inmates Employed	Civilian/Inmate Ratio
2010	187	109	2,047	1:10.9	1:18.8	7,705	74,750	1:9.7
2011	171	104	1,855	1:10.8	1:17.8	6,612	70,507	1:10.7
2012	176	115	2,065	1:11.7	1:18.0	6,702	67,891	1:9.9
2013	174	116	2,038	1:11.7	1:17.6	6,953	65,288	1:9.4
2014	170	115	2,091	1:12.3	1:18.2	6,946	64,761	1:9.3
2015	165	108	2,041	1:12.4	1:18.9	6,652	62,602	1:9.4
2016	148	100	2,035	1:13.8	1:20.4			

2. The MCE Management Council is conducting a study in conjunction with the Regional Economic Studies Institute of Towson University. The main purpose of this study will be to identify the ideal organizational structure of MCE. The scope of this project will include suggestions and recommendations regarding hiring autonomy. The study is projected for completion in FY2017.

Strategy #: 2.1.1.3	Develop private industry partnerships.
Performance Measures	Pursue new PIE partnerships each fiscal year.
Chairperson	Chief Development Officer
Members	Executive Director of Management Council, Chief Operating Officer, Projects Consultant, Administrator I, Appropriate Plant Manager, Operations Manager

Summary of Strategy Results

1. MCE was contacted by the Governor's Office of Minority Affairs Special Secretary Jimmy Rhee regarding interest in the plausibility of an international PIE opportunity in May of 2016. The initial meeting was scheduled for June 21st, but was postponed until August 2nd.

Quarterly Inmate Summary for PIE Programs (FY 2017)

QTR	Customers	No. of Inmates	Total Earnings	Withholdings Taxes		Room & Board	Total Victims Compensation	Total Family Support
				Federal	Maryland			
1st								
2nd								
3rd								
4th								

Inmate Payroll Summary for PIE Programs

FY	No. of Customers	No. of Inmates	Total Earnings	Total Withholdings Taxes		Total Room & Board	Total Victims Compensation	Total Family Support
				Federal	Maryland			
2006	2	11	53,329.70	2,338.41	2,574.19	15,998.97	5,333.06	0.00
2007	3	22	111,876.95	5,252.78	4,492.74	33,563.44	11,187.97	0.00
2008	1	8	69,656.52	4,887.92	3,397.23	20,897.11	6,965.76	0.00
2009	1	7	60,281.06	3,518.09	2,859.21	18,084.35	6,028.13	368.54
2010	1	4	14,138.76	452.04	656.63	4,241.63	1,413.91	0.00
2011	1	6	37,709.17	2,604.14	1,942.01	11,312.79	3,770.92	0.00
2012	1	7	50,405.60	3,054.22	2,442.38	15,121.76	5,040.58	0.00
2013	1	6	14,052.25	911.35	684.30	4,215.70	1,405.30	0.00
2014	1	6	16,061.15	1,056.60	821.01	4,818.40	3,212.31	0.00
2015	1	7	27,461.19	1,882.04	1,497.19	8,238.43	5,492.33	0.00

MCE PIE Programs (Since FY 2000)

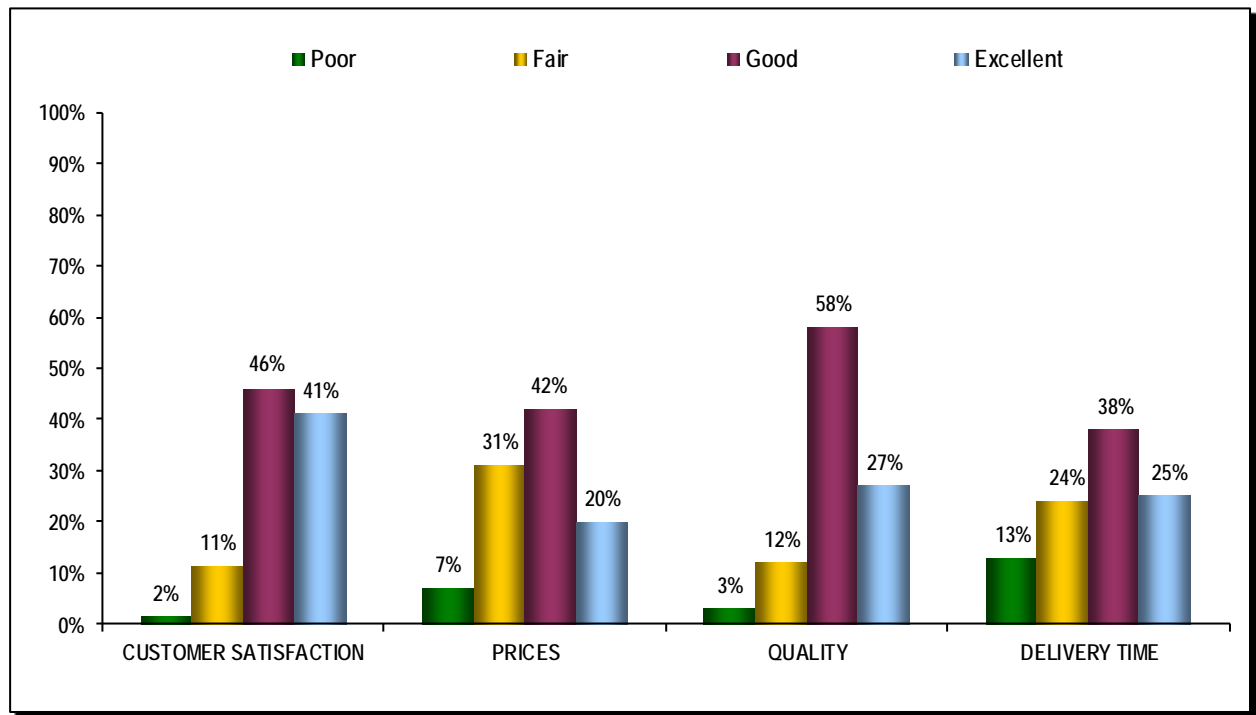
	MCE Plant/ Service Center	Institution	Start Date	End Date	Work Performed
Powercon Corp.	Metal I	MCI-H	09/01/99	-	Fabrication, painting, and assembly of switchgear components
Teledyne Energy Systems	Mailing & Distribution Ctr.	MCI-W	06/09/00	08/10/01	Assembly of egg crate modules for portable generators
Saken, Ltd.	Sew	MCI-W	06/29/00	11/13/00	Cutting, sewing, and fabrication of outdoor table coverings
Studio Artis	Uniform	MHC	11/08/00	03/18/02	Cutting, sewing, and assembly of men and women's clothing
Tract International	Upholstery	MCI-H	07/05/01	04/14/05	Upholstery and assembly of ergonomic seating components
Truly Thankful Creations	Uniform	MHC	09/25/01	06/30/02	Cutting, sewing, and assembly of denim pot and pan holders
Show Ring Products	Uniform	MHC	02/08/02	11/18/03	Cutting, sewing, and assembly of dog beds
First Source Electronics	Metal I	MCI-H	04/05/06	06/20/07	Cutting, stripping, labeling, and attaching connectors to wire assemblies
Borgo Seating	Metal II	MCI-H	09/12/06	12/20/06	Assembly of chairs

Goal #: 3.1	To increase customer satisfaction.
Objective #: 3.1.1	Determine customer satisfaction factors and take appropriate steps to address these issues.
Strategy #: 3.1.1.1	Annual customer survey to identify areas of customer needs.
Performance Measures	Survey results and analysis annually.
Chairperson	Director of Marketing
Members	Customer Service Manager, Chief Information Officer, Regional Managers, Sales Manager, Director of Sales

Summary of Strategy Results

1. The MCE Customer Council meets quarterly and recommends sales, marketing, and customer satisfaction initiatives.
2. *The following graph represents findings from the Fiscal Year 2016 Customer Satisfaction Survey. Data was collected from 74 participants.*

Overall Customer Ratings for MCE Products and Services



The majority of respondents rated MCE **GOOD** overall in Customer Satisfaction, Prices, Quality and Delivery Time.

Objective #: 3.1.2	Continue to improve MCE's delivery time.		
Strategy #: 3.1.2.1	Evaluate delivery time by product grouping.		
Performance Measures	Actual delivery times and monthly value of overdue orders.		
Chairperson	Chief Operating Officer		
Members	Operations Manager, Regional Managers, Warehouse Managers, Director of Sales, Administrator I		

Summary of Strategy Results

1. MCE Operations continues to evaluate Overdue Orders weekly to ensure we are doing everything possible to meet industry standard lead times.

Average Delivery Time (Days)

<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
23.1	23.4	23.5	26.2	31.3	25.4	22.3

The following divisions are tracked quarterly and annually:

	Fiscal Year 2017 (Days)			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Graphics				
Textiles				
Furniture				
Miscellaneous				
Total				

AVERAGE DELIVERY TIMES

Graphics – 2 Weeks	Textiles – 6 Weeks	Furniture – 7 Weeks	Miscellaneous – 2 ½ Weeks
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[illegible]

Objective #: 3.1.3	Use of technology to enhance customer service and satisfaction.
Strategy #: 3.1.3.1	Improve MCE's infrastructure to align all processes which provide enhanced internal and external customer service.
Performance Measures	Implement IT infrastructure by January 2018.
Chairperson	Chief Administrative Officer and Project Manager
Members	Director of Sales, Customer Service Manager, Director of Marketing, Warehouse Managers, Chief Financial Officer, Chief Operating Officer, Operations Manager, Regional Managers, Chief Information Officer, MCE Staff

Summary of Strategy Results

1. The ERP RFP was listed on eMaryland Marketplace on August 1, 2016 (Bid Number: MDQ0031028090). The Pre-Bid Conference is scheduled at MCE on September 22, 2016 at 10:00 A.M. Bid Opening is scheduled for October 20, 2016 at 2:00 P.M. at DPSCS.

Goal #: 4.1	To improve organizational excellence.
Objective #: 4.1.1	By June 2017, establish and implement additional initiatives to improve teamwork and morale.
Strategy #: 4.1.1.1	Identify opportunities for cross-training to improve communications and morale.
Performance Measures	Develop and document new initiatives for improving training, communications, teamwork and morale.
Chairpersons	Chief Development Officer and Chief Administrative Officer
Members	Marketing, Support Staff, Director of Sales, Executive Assistant to CEO, Chief Operating Officer, Operations

Summary of Strategy Results

1. Employees and team efforts are recognized in the monthly MCE Minder and in the quarterly publication of the MCE "PRIDE" Newsletter.
2. MCE continues to send flowers and cards for the bereaved, and cards and baskets for its employees having health issues.
3. The MCE Training Committee will reconvene during the first quarter of FY 2017 to set new priorities for training. The committee will reevaluate the training needs assessment for the agency. Innovative ways to implement cross-training opportunities will also be investigated. A discussion on training was facilitated during the MCE Annual MFR Seminar meeting in May.
4. The training coordinator is working with PCTC to gather information for implementation of MCE's Field Training Program (FTO). Business Unit Managers will be solicited to assist with development of tasks lists for each Plant.

Objective #: 4.1.2	Maintain ACA accreditation.
Strategy #: 4.1.2.1	Maintain ACA performance compliance annually.
Performance Measures	Maintain ACA accreditation.
Chairperson	Policy and Procedures Manager
Members	Chief Executive Officer, Chief Operating Officer, Regional Managers, Chief Administrative Officer, Operations Manager, Administrator I, Chief Development Officer

Summary of Strategy Results

1. On 9/14 – 9/15/15, MCE was audited by the American Correctional Association (ACA). MCE received a recommendation of 100% compliance of Performance Based Standards for Correctional Industries.
2. MCE is officially re-accredited with the American Correctional Association (Year 2015) scoring 100% on the program audit. The next re-accreditation audit will take place in 2018.
3. Preliminary work has begun to automate the tracking of the 80 ACA standards in preparation for the 2018 audit. The ACA tracker will be an on-going project in collaboration with agency staff and the software creator.
4. Policies and Procedures in Process:

Directive #	Title	Status	Due Date	Reviewer	Next Steps	Actions Necessary
MCE 150-2-1	MCE Mail Delivery	In process	1/11/2016	Policy Manager	Discuss with CAO	None
MCE 35-7-4	Hard Drive Removal	Completed/Reviewed	1/11/2016	Policy Manager	Discuss with CAO	None
MCE 35-7-3	IT Hot Spot Procedure	Completed	1/11/2016	Troy Goodman	Discuss with CAO	Awaiting comments
SUI 80-2-1	SUI Headquarters	In process	1/15/2016	Policy Manager	Research/Write	None
SUI 50-24-1	Annual Leave	In process	1/15/2016	Policy Manager	Research/Write	View DPSCS policy

Directive #	Title	Status	Due Date	Reviewer	Next Steps	Actions Necessary
MCE 35-7-4	Hard Drive Removal	Completed/Reviewed	1/11/2016	Policy Manager	Complete	None
MCE 35-7-3	IT Hot Spot Procedure	Completed	1/11/2016	Kevin Combs	Awaiting Signature	None
MCE 150-0-5	Pricing MCE Goods & Services	Completed	4/22/2016	Policy Manager	Sign-Off	None
MCE 40-0-4	Health Education Procedure	In process	4/22/2016	CAO	Review with CAO	None
MCE 150-0-3	MCE Shipping & Receiving	In process	4/22/2016	Policy Manager	Updating Policy	None
LASI MOU	Memorandum of Agreement	Completed	4/22/2016	DPSCS AG	Awaiting Comments	Follow-up Email
SUI 80-2-1	SUI Headquarters	In process	5/14/2016	Policy Manager	Research/Write	None
SUI 50-24-1	Annual Leave	In process	5/14/2016	Policy Manager	Research/Write	View DPSCS policy

Directive #	Title	Status	Reviewer
MCE 35-7-4	Inventory Control Software Procedure	In process	Policy Manager
MCE 40-0-4	HIV/AIDS Educational Material Distribution Procedure	In process	CAO
	MVA Registration Standard Operating Procedure	In process	Operations Manager
MCE 150-0-3	MCE Shipping & Receiving	In process	CEO
MCE 150-0-5	MCE Pricing Policy	In process	CAO

5. ACA documentation collection for FY 2017 will commence in July to prepare in advance for the upcoming audit in 2018. Department lists will be gathered to obtain information collectively for each Correctional Industry (CI) standard.
6. Audits of the MCE Business Units began in March 2016. Site visits will continue throughout the remainder of the year.

Objective #: 4.1.3	Recommend opportunities to improve organizational excellence.
Strategy #: 4.1.3.1	Research and identify training and other opportunities to develop the workforce.
Performance Measures	Recommend opportunities to improve organizational excellence by the 2017 MFR meeting.
Chairpersons	Chief Operating Officer
Members	Director of Re-Entry Services, Executive Assistant to CEO, Cost Accountant, Policies and Procedures Manager, Marketing Coordinator

Summary of Strategy Results

1. This new Strategy for FY 2016 was developed at the MFR Seminar on May 19, 2015.
2. During FY 2016 members of the Projects Unit initiated a "Forklift Training" Program. In FY 2017, supervisors and inmates will be trained, and certificates and wallet-sized cards will be issued upon successful completion of each training session. MCE will continue to explore additional certificate programs and apprenticeship opportunities.

Goal #: 5.1	To provide support and services for successful inmate transition to the community.
Objective #: 5.1.1	Monitor, evaluate, and enhance MCE CARES.
Strategy #: 5.1.1.1	Partner with State, county and local organizations to increase the effectiveness of the CARES program for eligible participants.
Performance Measures	Monitor the outcomes established by MCE CARES (Enrollment, Completion, Employment, Recidivism)
Chairperson	Director of Re-Entry Services
Members	Chief Executive Officer, Chief Development Officer, Chief Operating Officer, Executive Director of the Management Council

Summary of Strategy Results

1. June 27th - MCE CARES graduated 15 participants who successfully completed 170 hours of intense transitional readiness training.
2. Bill Gaertner, former offender and current Director of Gatekeepers was the guest speaker at the graduation ceremony.
3. MCE's Client Services Coordinator continued contacting all released MCE CARES graduates to get an update on their job status and living situation.

Objective #: 5.1.2	Monitor, evaluate, and enhance transition services for all MCE inmate workers.
Strategy #: 5.1.2.1	Identify business and community partners as resources for inmate workers upon release.
Performance Measures	Identify five business partners.
Chairperson	Director of Re-Entry Services
Members	Chief Executive Officer, Chief Development Officer, Chief Operating Officer, Executive Director of the Management Council

Summary of Strategy Results

1. The Business Development Coordinator established 5 new potential business partnerships in the Baltimore area.
2. Created partnership with Second Chance Inc. <http://www.secondchanceinc.org/>
3. Created partnership with Project Jumpstart <http://www.jotf.org/Programs/JumpStart/tabid/83/Default.aspx>
4. Created partnerships with EPRU, PHPRU, BPRU, and OSTC to help assist MCE CARES grads with a more efficient transition to communities.
5. During FY 2016, MCE developed a partnership with Bill Gaertner, Executive Director of Gatekeepers to provide transitional services to MCE CARES graduates residing in the Hagerstown area.

Strategy #: 5.1.2.2	Explore options regarding economic strategies for inmates upon release.
Performance Measures	Assess the economic needs of the re-entering inmate population.
Chairperson	Director of Re-Entry Services
Members	Chief Executive Officer, Chief Development Officer, Chief Operating Officer, Executive Director of the Management Council

Summary of Strategy Results

1. During FY 2016, the Director of Reentry Services completed data collection of past and current MCE CARES participants in order to evaluate trends in post release employment, nature of offense, recidivism, and area of residence.
2. On February 24, 2016, the Director of Reentry Services was a lead presenter for NCIA's webinar highlighting the best Correctional Industries reentry programs.
3. The Director of Reentry Services participated in the Tri-State Reentry Task Force Meeting at Patuxent Institution on March 31, 2016.
4. The Director wrote and submitted an article on the topic of "Certificate Based Soft Skills" which was published in NCIA News magazine.



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